

borrowings from or receive any extension of credit through the Utility Money Pool. In addition, CILCO proposes to become a participant in the Utility Money Pool upon becoming a subsidiary of Ameren, subject to receiving approval from the Illinois Commerce Commission.

Ameren will continue to fund loans to Utility Money Pool participants with the proceeds of commercial paper sales and other short-term borrowings by Ameren previously authorized by the Commission, as well as Surplus funds in the treasury of Ameren. Ameren is not requesting any new financing authority in this proceeding.

In accordance with the terms and provisions of the Utility Money Pool, funds will be available from the following sources for short-term loans to AmerenUE, AmerenCIPS, CILCO and Ameren Services, from time to time: (1) Surplus funds in the treasuries of AmerenUE, AmerenCIPS, CILCO and Ameren Services, (2) surplus funds in the treasury of Ameren, and (3) proceeds from bank borrowings and the sale of commercial paper by Ameren, AmerenUE, AmerenCIPS, CILCO and Ameren Services ("External Funds"). Funds will be made available from such sources in such other order as Ameren Services, as administrator of the Utility Money Pool, may determine would result in a lower cost of borrowing, consistent with the individual borrowing needs and financial standing of the companies providing funds to the Utility Money Pool.

Utility Money Pool participants that borrow will borrow *pro rata* from each company that lends, in the proportion that the total amount loaned by each such lending company bears to the total amount then loaned through the Utility Money Pool. On any day when more than one fund source (e.g., surplus treasury funds of Ameren and other Utility Money Pool participants ("Internal Funds") and External Funds), with different rates of interest, is used to fund loans through the Utility Money Pool, each borrower will borrow *pro rata* from each such fund source in the Utility Money Pool in the same proportion that the amount of funds provided by that fund source bears to the total amount of short-term funds available to the Utility Money Pool.

If only Internal Funds are available in the Utility Money Pool, the interest rate applicable to loans of those Internal Funds will be the CD yield equivalent of the 30-day Federal Reserve "AA" Non-Financial commercial paper composite rate (or if no such rate is established for that day, then the applicable rate would be the rate for the

next preceding day for which such rate was established). If only External Funds are available in the Utility Money Pool, the interest rate applicable to loans of those External Funds will be equal to the lending company's cost for those External Funds (or, if more than one Utility Money Pool participant had made available External Funds on such day, the applicable interest rate will be a composite rate equal to the weighted average of the cost incurred by the respective Utility Money Pool participants for those External Funds). In cases where both Internal Funds and External Funds are concurrently borrowed through the Utility Money Pool, the rate applicable to all loans comprised of such "blended" funds will be a composite rate equal to the weighted average of (a) the cost of all Internal Funds contributed by Utility Money Pool participants (as determined pursuant to the second preceding paragraph above) and (b) the cost of all such External Funds (as determined pursuant to the immediately preceding paragraph above).

6. Non-Regulated Subsidiary Money Pool

Ameren also proposes to continue to maintain and fund loans to certain of its non-utility subsidiaries and, following the acquisition of CILCORP and AES Medina Valley, to CILCORP, AES Medina Valley and certain of CILCORP's current direct and indirect non-utility subsidiaries, in accordance with a new Non-Regulated Subsidiary Money Pool Agreement. As is the case with the current Non-Utility Money Pool, Ameren will participate in the Non-Regulated Subsidiary Money Pool solely as a lender and may not make any borrowings from or receive any extension of credit through the Non-Regulated Subsidiary Money Pool. CILCORP also proposes to participate in the Non-Regulated Subsidiary Money Pool as a lender only and will not be permitted to make borrowings from or receive any extension of credit through the Non-Regulated Subsidiary Money Pool. Ameren Services will participate in the Non-Regulated Subsidiary Money Pool (as it currently does in the Non-Utility Money Pool) solely as a borrower.

CIGI also proposes to become a participant in the Non-Regulated Subsidiary Money Pool. It is stated that, although CIGI will be an "electric utility company" under the Act once it relinquishes EWG status, for purposes of state regulation in Illinois, CIGI will be considered to be a "non-regulated" affiliate of CILCO and therefore cannot participate in the Utility Money Pool.

CIGI is requesting authorization to borrow up to \$250 million at any time outstanding under the Non-Regulated Subsidiary Money Pool. The interest rate payable on borrowings from and loans to the Non-Regulated Subsidiary Money Pool and the allocation of fees and investment income to participants will be determined in the same manner described above in connection with the Utility Money Pool.

Accordingly, the following direct and indirect subsidiaries of Ameren will be participants in the Non-Regulated Subsidiary Money Pool: Ameren Services (solely as a borrower), Ameren Development Company, Ameren ERC, Inc., Ameren Energy Communications, Inc., Ameren Energy Resources Company, Ameren Energy Development Company, Ameren Energy Generating Company, Ameren Energy Fuels and Services Company, AFS Development Company, LLC, Illinois Materials Supply Co., Union Electric Development Corporation, CIPSCO Investment Company, CILCORP (solely as a lender), CIGI, CILCORP Investment Management Inc., CILCORP Ventures Inc., CILCORP Energy Services Inc., QST Enterprises Inc., CILCO Exploration and Development Company, CILCO Energy Corporation, AES Medina Valley, AES Medina Valley Cogen (No. 2), L.L.C., AES Medina Valley Cogen, L.L.C., and AES Medina Valley Operations, L.L.C.

The Commission is requested to reserve jurisdiction over the participation in the Non-Regulated Subsidiary Money Pool of any other direct or indirect, current or future, non-utility subsidiary of Ameren.

For the Commission, by the Division of Investment Management, pursuant to delegated authority.

Margaret H. McFarland,

Deputy Secretary.

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SECURITIES AND EXCHANGE COMMISSION

[Release No. IC-25921]

Notice of Applications for Deregistration Under Section 8(f) of the Investment Company Act of 1940

January 31, 2003.

The following is a notice of applications for deregistration under section 8(f) of the Investment Company Act of 1940 for the month of January, 2003. A copy of each application may be obtained for a fee at the SEC's Public Reference Branch, 450 Fifth St., NW.,